OIL, GAS, AND MINING BOARD SCOTT M. MATHESON Governor I. DANIEL STEWART Chairman GORDON E. HARMSTON STATE OF UTAH Executive Director, DEPARTMENT OF NATURAL RESOURCES NATURAL RESOURCES CHARLES R. HENDERSON JOHN L. BELL DIVISION OF OIL, GAS, AND MINING THADIS W. BOX CLEON B. FEIGHT 1588 West North Temple C. RAY JUVELIN Director Salt Lake City, Utah 84116 (801) 533-5771 September 8, 1978 Mr. Frank A. Allen, Esquire Allen, Thompson, and Hughes 148 East Tabernacle St. George, Utah 84770 Re: Bennett Petroleum Protest to ACT/053/002 Dear Mr. Allen: The Division is considering the protest submitted by you in behalf of Bennett Petroleum in Order to Show Cause ACT/053/002 and needs some clarification on item number six which is on page four of your protest document. In the second sentence of item number six Bennett Petroleum seems to be of the opinion that acid used in the operation will be "released in the natural drainage basin which is a watershed for two ponds". As the Division understands the heap leaching procedure proposed by 5-M, no acid or leachate will leave the sealed pads on which leaching will take place. The system will be completely closed. If you see the potential for the release of acid into the drainage or have a different understanding of the process to be utilized here the Division would like to know where to examine the plan further to see the details of it. The request just made in section 1 also stands for your comment referring to a well and pond lying in the path of drainage from the leach area. In the second paragraph of item number 6 you mention that "plans for disposal of acid by burial or subsurface injection (mining plan, page 7) are not acceptable in light of soil alkalinity and underground water pollution". You will note that also on page 7 of the mining and reclamation plan is a commitment to comply with all State and Federal regulations pertaining to toxic materials. The Utah State Division of Environmental Health has stated that acid injection will not be allowed in this case. Another consideration is that the acid leach solution will not be disposed of until after all the leach ponds are used. Thus, only the barren ore will remain in each successive heap leach pond, and all materials in each successive pond will be neutralized before burial and stabilization through establishing vegetation on the surface.

Mr. Frank A. Allen, Esq. September 8, 1978 Page two In addition, the applicant has committed to monitoring two wells in the proximity of their operation to detect acid leakage problems. If you feel that your concerns are not addressed in the previous three paragraphs please advise us as to your further consternation. The last point raised in Bennett item number six submits that possible "aerial dispersion of acid will endanger vegetation, water supplies, residents, and livestock and area". In this regard the applicant has committed to an air monitoring program in an Environmental Base-Line Study which will continue throughout the duration of the mining project. This commitment made in an "Addendum to the 5-M, Inc. Notice of Intention dated June 2, 1978. At this time the Division does not have details on how monitoring will be conducted but 5-M will need to provide same before leaching actually is under way. If your concerns are yet not addressed in regard to airborne particles leaving the site please set forth any further questions or problems that you might have. If your client has further concern on any of the items in sections 1 through 3 above please set forth those concerns including more details. As you probably know, the Board's hearing schedule for September is fully occupied, thus, if a hearing is needed it would be held in October. The Division hopes that the differences between Bennitt Petroleum and 5-M can be mutually resolved before a hearing is held. Please contact me if you have any questions or need clarification of the above points. Sincerely, RONALD W. DANIELS COORDINATOR OF MINED LAND DEVELOPMENT RWD/sp cc: Scheree Wilcox I. Daniel Stewart